

Pricing Supplement dated 05 August 2013

Morgan Stanley BV

Issue of USD 1,085,000 Commodity-linked Notes

Guaranteed by Morgan Stanley

under the

Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates

The Offering Circular referred to below (as completed by this Pricing Supplement) has been prepared on the basis that any offer of Notes in any Member State of the European Economic Area which has implemented the Prospectus Directive (2003/71/EC) (each, a "**Relevant Member State**") will be made pursuant to an exemption under the Prospectus Directive, as implemented in that Relevant Member State, from the requirement to publish a prospectus for offers of the Notes. Accordingly any person making or intending to make an offer in that Relevant Member State of the Notes may only do so in circumstances in which no obligation arises for the Issuer or any Distribution Agent to publish a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive, in each case, in relation to such offer. Neither the Issuer nor any Distribution Agent has authorised, nor do they authorise, the making of any offer of Notes in any other circumstances.

Warning: Neither this Pricing Supplement nor the Offering Circular referred to below constitutes a "prospectus" for the purposes of Article 5.4 of Directive 2003/71/EC (as amended by Directive 2010/73/EU, the "**Prospectus Directive**"), and the Pricing Supplement and the Offering Circular have been prepared on the basis that no prospectus shall be required under the Prospectus Directive in relation to any Notes be offered and sold under hereby.

THE NOTES ARE NOT BANK DEPOSITS AND ARE NOT INSURED BY THE U.S. FEDERAL DEPOSIT INSURANCE CORPORATION OR ANY OTHER GOVERNMENTAL AGENCY, NOR ARE THEY OBLIGATIONS OF, OR GUARANTEED BY, A BANK.

PART A – CONTRACTUAL TERMS

THE NOTES DESCRIBED HEREIN AND ANY GUARANTEE IN RESPECT THEREOF HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "**SECURITIES ACT**"), OR THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES, AND THE SECURITIES MAY INCLUDE SECURITIES THAT ARE SUBJECT TO U.S. TAX LAW REQUIREMENTS. NEITHER THE ISSUER NOR THE GUARANTOR IS REGISTERED, OR WILL REGISTER, UNDER THE U.S. INVESTMENT COMPANY ACT OF 1940, AS AMENDED (THE "**INVESTMENT COMPANY ACT**"). TRADING IN THE NOTES HAS NOT BEEN APPROVED BY THE U.S. COMMODITY FUTURES TRADING COMMISSION UNDER THE U.S. COMMODITY EXCHANGE ACT, AS AMENDED.

THE NOTES DESCRIBED HEREIN AND ANY INTEREST THEREIN MAY NOT BE OFFERED, SOLD, PLEDGED, ASSIGNED, DELIVERED OR OTHERWISE TRANSFERRED AT ANY TIME, DIRECTLY OR INDIRECTLY, WITHIN THE UNITED STATES OR TO OR FOR THE ACCOUNT OR BENEFIT OF U.S. PERSONS (AS DEFINED IN EITHER REGULATION S UNDER THE SECURITIES ACT OR, IN THE CASE OF FTRO NOTES, THE UNITED STATES INTERNAL REVENUE CODE OF 1986, AS AMENDED). SEE "*SUBSCRIPTION AND SALE*" AND "*NO OWNERSHIP BY U.S. PERSONS*" IN THE OFFERING CIRCULAR DATED 27 JUNE 2013. IN PURCHASING THE NOTES, PURCHASERS WILL BE DEEMED TO REPRESENT AND WARRANT THAT THEY ARE NEITHER LOCATED IN THE UNITED STATES NOR A U.S. PERSON AND THAT THEY ARE NOT PURCHASING FOR, OR FOR THE ACCOUNT OR BENEFIT OF, ANY SUCH PERSON.

THE NOTES ARE NOT RATED.

This document constitutes the Pricing Supplement relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Terms and Conditions of the English Law Notes set forth in the Offering Circular dated 27 June 2013 (together, the "Offering Circular"). This Pricing Supplement must be read in conjunction with such Offering Circular. Full information on the Issuer, the Guarantor and the offer of the Notes is only available on the basis of the combination of this Pricing Supplement and the Offering Circular. Copies of the Offering Circular are available from the offices of Morgan Stanley & Co. International plc at 25 Cabot Square, Canary Wharf, London, E14 4QA. The Offering Circular has also been published on the website of the Irish Stock Exchange (www.ise.ie).

Information Concerning Investment Risk

Noteholders and prospective purchasers of Notes should ensure that they understand the nature of the Notes and the extent of their exposure to risk and that they consider the suitability of the Notes as an investment in the light of their own circumstances and financial condition. The amount payable on redemption of the Notes is linked to the performance of the Underlying (as defined herein), and may be less than par. Given the highly specialised nature of these Notes, Morgan Stanley BV (the "Issuer"), Morgan Stanley (the "Guarantor") and Morgan Stanley & Co. International plc ("MSI plc") consider that they are only suitable for highly sophisticated investors who are able to determine for themselves the risk of an investment linked to the Underlying, are willing to take risks and can absorb the partial or complete loss of their initial investment. Consequently, if you are not an investor who falls within the description above you should not consider purchasing these Notes without taking detailed advice from a specialised professional adviser.

Potential investors are urged to consult with their legal, regulatory, investment, accounting, tax and other advisors with regard to any proposed or actual investment in these Notes. Please see the Base Prospectus for a full detailed description of the Notes and in particular, please review the Risk Factors associated with these Notes.

Morgan Stanley is not qualified to give legal, tax or accounting advice to its clients and does not purport to do so in this document. Clients are urged to seek the advice of their own professional advisers about the consequences of the proposals contained herein.

US Treasury Circular 230 Notice - Morgan Stanley does not render advice on tax and tax accounting matters to clients. This material was not intended or written to be used, and it cannot be used by any taxpayer, for the purpose of avoiding penalties that may be imposed on the taxpayer under U.S. federal tax laws.

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|----|------|--|-------------------------------|
| 1. | (i) | Issuer: | Morgan Stanley B.V. |
| | (ii) | Guarantor: | Morgan Stanley |
| 2. | (i) | Series Number: | 7711 |
| | (ii) | Tranche Number: | 1 |
| 3. | | Specified Currency or Currencies: | US Dollar ("USD") |
| 4. | | Aggregate Nominal Amount of the Notes: | |
| | (i) | Series: | USD 1,085,000 |
| | (ii) | Tranche: | USD 1,085,000 |
| 5. | | Issue Price | 100 per cent. of par per Note |

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|-----|-------|---|---|
| 6. | (i) | Specified Denominations: | USD 1,000 |
| | (ii) | Calculation Amount: | USD 1,000 |
| 7. | (i) | Issue Date: | 05 August 2013 |
| | (ii) | Trade Date: | 22 July 2013 |
| | (iii) | Interest Commencement Date | As set out below |
| | (iv) | Strike Date: | 22 July 2013 |
| | (v) | Determination Date: | 22 January 2015, or if such day is not a Commodity Business Day the first following day which is a Commodity Business Day. |
| 8. | | Maturity Date: | 05 February 2015, subject to adjustment in accordance with the Following Business Day Convention and subject that the Maturity Date shall always be at least five (5) Business Days following the Determination Date. |
| 9. | | Interest Basis: | Commodity-Linked Interest |
| 10. | | Redemption/Payment Basis: | Commodity-Linked Redemption |
| 11. | | Change of Interest or Redemption/Payment Basis: | Not Applicable |
| 12. | | Put/Call Options: | |
| | (i) | Redemption at the Option of the Issuer: | Not Applicable |
| | | (Condition 19.5) | |
| | (ii) | Redemption at the Option of Noteholders: | Not Applicable |
| | | (Condition 19.7) | |
| | (iii) | Other Put/Call Options: | Not applicable |
| 13. | (i) | Status of the Notes: | Condition 4.1 applies |
| | | (Condition 4) | |
| | (ii) | Status of the Guarantee: | Condition 4.2 applies |
| 14. | | Method of distribution: | Non-syndicated |

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

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|-----|---|----------------|
| 15. | Fixed Rate Note Provisions | Not Applicable |
| 16. | Floating Rate Note Provisions | Not Applicable |
| 17. | Zero Coupon Note Provisions | Not Applicable |
| 18. | Dual Currency-Linked Note Interest Provisions | Not Applicable |

19.	Equity-Linked Provisions	Interest	Note	
20.	Commodity-Linked Provisions	Interest	Note	Applicable, subject to Early Redemption, as defined below.
	(i) Commodity or Commodity Index/Indices:			WTI Crude Oil (OIL-WTI-NYMEX) - Bloomberg: CL1 Comdty (the 'Underlying')
	(ii) Commodity Reference Price:			The official settlement price per barrel of West Texas Intermediate light sweet crude oil on the NYMEX of the first nearby month futures contract, stated in USD, as made public by the NYMEX.
	(iii) Weighting			Not Applicable
	(iv) Party responsible for calculating the Rate(s) of interest and/or Interest Amount(s) (if not the Calculation Agent):			Morgan Stanley & Co. International plc (the "Determination Agent"). The Determination Agent shall act as an expert and not as an agent for the Issuer or the Noteholders. All determinations, considerations and decisions made by the Determination Agent shall, in the absence of manifest error, wilful default or bad faith, be final and conclusive and the Determination Agent shall have no liability in relation to such determinations except in the case of its wilful default or bad faith.
	(v) Provisions for determining Rate of Interest where calculated by reference to Commodity/ies and/or Index:			If on an Interest Determination Date, the Commodity Reference Price is greater than 60% of the Initial Reference Price, the following Interest Amount shall be paid on the Interest Payment Date which first follows such Interest Determination Date: Par x 1.90% Otherwise, no Interest Amount shall be paid.
	(vi) Interest Determination Date(s):			22 October 2013, 22 January 2014, 22 April 2014, 22 July 2014, 22 October 2014 and 22 January 2015, in each case subject to adjustment as set out in the definition of Pricing Date below.
	(vii) Provisions for determining Rate of Interest where calculation by reference to Commodity/ies and/or Index is impossible or impracticable or otherwise disrupted:			Determination Agent Determination
	(viii) Interest Period:			Not Applicable
	(ix) Specified Interest Payment Date:			05 November 2013, 05 February 2014, 05 May 2014, 05 August 2014, 05 November 2014 and 05 February 2015, subject to adjustment in accordance with the Business Day Convention.
	(x) Business Day Convention:			Following Business Day Convention
	(xi) Additional Business Centre(s):			Not Applicable
	(xii) Minimum Rate/Amount of Interest:			Not Applicable
	(xiii) Maximum Rate/Amount of Interest:			Not Applicable

	(xiv)	Day Count Fraction:		Not Applicable
	(xv)	Other special terms and conditions:		See paragraph 49 below.
21.	Currency-Linked Provisions	Interest	Note	Not Applicable
22.	Inflation-Linked Provisions	Interest	Note	Not Applicable
23.	Credit-Linked Provisions	Interest	Note	Not Applicable
24.	Property-Linked Provisions	Interest	Note	Not Applicable
25.	Fund-Linked Provisions	Interest	Note	Not Applicable

PROVISIONS RELATING TO REDEMPTION

26.	Call Option (Condition 19.5)			Not Applicable
27.	Put Option			Not Applicable
28.	Final Redemption Amount of each Note (Condition 19.1)			Linked Redemption Amount specified below
29.	Dual Currency Provisions (Condition 8)	Redemption		Not Applicable
30.	Equity-Linked Provisions (Condition 10)	Redemption		Not Applicable
31.	Commodity-Linked Provisions (Condition 11)	Redemption		Applicable
	(i)	Commodity/ies or Commodity Index/Indices:		The Underlying (as defined in paragraph 20(i) above)
	(ii)	Commodity Reference Price:		As defined above in paragraph 20(ii).
	(iii)	Weighting:		Not Applicable
	(iv)	Exchange:		NYMEX
	(v)	Determination Agent responsible for calculating the Final Redemption Amount:		Morgan Stanley & Co. International plc (the “ Determination Agent ”). The Determination Agent shall act as an expert and not as an agent for the Issuer or the Noteholders. All determinations, considerations and decisions made by the Determination Agent shall, in the absence of manifest error, wilful default or bad

faith, be final and conclusive and the Determination Agent shall have no liability in relation to such determinations except in the case of its wilful default or bad faith.

- (vi) Provisions for determining Final Redemption Amount: Unless previously redeemed, or purchased and cancelled in accordance with the Conditions or the Early Redemption provision below, the Issuer shall redeem the Notes on the Maturity Date at the Final Redemption Amount per Note as determined by the Determination Agent as follows:

- (i) If no Knock-In Event has occurred:

Par * 100%

- (ii) Otherwise:

Par * Min (100%; Final Reference Price / Initial Reference Price)

Where:

“Initial Reference Price” means the Commodity Reference Price of the Underlying as determined by the Determination Agent on the Strike Date;

“Final Reference Price” means the Commodity Reference Price of the Underlying on the Determination Date;

Knock In Event: A Knock In Event shall be deemed to occur if on any Knock In Determination Day the Commodity Reference Price is less than the Knock In Barrier, or if a Commodity Disruption Event occurs on that day, subject to Commodity Disruption Fallbacks.

“Knock In Barrier” means 60% of the Initial Reference Price;

“Knock In Determination Day” means each Commodity Business Day during the Knock In Determination Period, subject to adjustment as specified under Pricing Dates.

“Knock In Determination Period” means the Observation Period.

- (vii) Observation Date/ Period: Each Commodity Business Day from but excluding the Strike Date to and including the Determination Date

- (viii) Provisions for determining Final Redemption Amount where calculation by reference to Index and/or other variable is impossible or impracticable or otherwise disrupted: Not Applicable

- (ix) Price Source: The Exchange

- (x) Specified Price: Official settlement price
- (xi) Delivery Date: First Nearby Month
- (xii) Pricing Date: As defined in paragraph 49 below.
- (xiii) Common Pricing: Not Applicable
- (xiv) Commodity Disruption Events: As defined in paragraph 49 below.
- (xv) Commodity Disruption Fallback: Determination Agent Determination as defined in Condition 11.3
- (xvi) Additional Disruption Events: Change in Law, Hedging Disruption, Increased Cost of Hedging shall not apply
- (xvii) Other special terms and conditions: **Early Redemption:**
If on an Early Redemption Observation Date, the Determination Agent determines that the Commodity Reference Price is greater than the Early Redemption Threshold Value (as defined below), the Notes will be automatically redeemed on the Early Redemption Date at the Early Redemption Amount.

Where:

“Early Redemption Observation Date” means each of the dates specified in the table below subject to adjustment as if such date were a Pricing Date as defined below;

“Early Redemption Date” means, in respect of each Early Redemption Observation Date, each of the corresponding dates specified in the table below subject to adjustment in accordance with the Business Day Convention;

Early Redemption Observation Date	Early Redemption Date
22 October 2013	05 November 2013
22 January 2014	05 February 2014
22 April 2014	05 May 2014
22 July 2014	05 August 2014
22 October 2014	05 November 2014

“Early Redemption Threshold Value” means 100% of Initial Reference Price;

“Early Redemption Amount” means, in respect of the Early Redemption Observation Date: $\text{Par} \times 100\%$.

For the avoidance of doubt, a final Interest Amount shall be payable on an Early Redemption Date in the event of an Early Redemption.

- 32. Currency-Linked Provisions Redemption Not Applicable
(Condition 12)

33.	Inflation-Linked Provisions (Condition 13)	Redemption	Not Applicable
34.	Credit-Linked Provisions (Condition 14)	Redemption	Not Applicable
35.	Property-Linked Provisions (Condition 15)	Redemption	Not Applicable
36.	Fund-Linked Provisions (Condition 16)	Redemption	Not Applicable
37.	Preference Redemption Provisions: (Condition 17)	Share-Linked	Not Applicable
38.	(a) Early Redemption Amount upon Event of Default (Condition 24): (b) Early redemption amount payable upon an event described in Condition 10/ 11/ 12/ 13/ 16/ 17 (c) Early redemption amount upon early redemption (Conditions 19.2, 19.3, 19.5, 19.10, 23 and 25) Early redemption amount(s) per Calculation Amount payable on redemption for taxation reasons or other early redemption and/or the method of calculating the same (if required or if different from that set out in the Conditions):	Qualified Financial Institution Determination As provided in Condition 10/ 11/ 12/ 13/ 16/ 17	
		An amount equal to the fair market value of such Note, on such day as is selected by the Determination Agent in its sole and absolute discretion (provided that such day is not more than 15 days before the date fixed for redemption of the Note), less the proportion attributable to that Note of the reasonable cost to the Issuer and/or any Affiliate of, or the loss realised by the Issuer and/or any Affiliate on, unwinding any related hedging arrangements, all as calculated by the Determination Agent in its sole and absolute discretion.	
39.	Governing Law:	English law	

GENERAL PROVISIONS APPLICABLE TO THE NOTES

40.	Form of Notes: (Condition 3)	Registered Notes Global Note Certificate registered in the name of a common depositary for Euroclear and Clearstream, Luxembourg, exchangeable for Individual Note Certificates on 30 days notice in the limited
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		circumstances described in the Global Note Certificate
41.	Record Date:	As per the Conditions
42.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	New York and London
43.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
44.	Details relating to Partly Paid Notes: amount of each payment comprising the Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay, including any right of the Issuer to forfeit the Notes and interest due on late payment:	Not Applicable
45.	Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made:	Not Applicable
46.	Redenomination, renominatisation and reconventioning provisions:	The provisions in Condition 35 apply.
47.	Restrictions on free transferability of the Notes:	None
48.	Inconvertibility Event Provisions:	Not Applicable
49.	Other terms:	<p>Commodity Disruption Events: Price Source Disruption, Trading Disruption, Disappearance of Commodity Reference Price, Material Change in Formula, Material Change in Content and Tax Disruption shall apply.</p> <p>Pricing Date: Each of the Strike Date, Early Redemption Observation Date, Interest Determination Date and Determination Date. If any such date is not a Commodity Business Day, the relevant Pricing Date will be the next following Commodity Business Day, or if a Commodity Disruption Event occurs in respect of the Underlying on that day, subject to Commodity Disruption Fallbacks.</p> <p>Commodity Disruption Fallback: Determination Agent Determination as defined in Condition 11.3</p> <p>Additional Disruption Events: Not Applicable</p> <p>“Business Day” means London and New York.</p> <p>Implementation of Financial Transaction Tax: Not Applicable</p>

DISTRIBUTION

50. (i) If syndicated, names and addresses of Managers and underwriting commitments; and names and addresses of the entities agreeing to place the issue without a firm commitment or on a "best efforts" basis if such entities are not the same as the Managers.) Not Applicable
- (ii) Date of [Subscription] Agreement: Not Applicable
- (iii) Stabilising Manager(s) (if any): Not Applicable
51. If non-syndicated, name and address of Dealer: Morgan Stanley & Co. International plc
25 Cabot Square
London E14 4QA
52. U.S. Selling Restrictions: TEFRA D Not applicable
53. Total commission and concession: In connection with the offer and sale of the Notes, the Issuer or the Dealer will pay to the intermediary a one time or recurring distribution fee. The investor acknowledges and agrees that such fees will be retained by the intermediary. Further information is available from the intermediary upon request.
54. Additional selling restrictions: Not Applicable

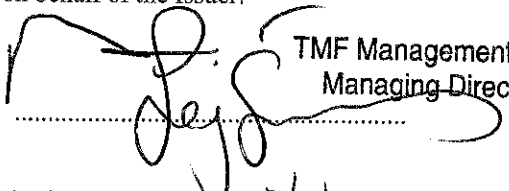
PURPOSE OF PRICING SUPPLEMENT

This Pricing Supplement comprises the pricing supplement required to list and have admitted to trading on the Global Exchange Market on the Irish Stock Exchange the issue of Notes described herein pursuant to the Regulation S Program for the Issuance of Notes, Series A and B, Warrants and Certificates.

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in this Pricing Supplement.

Signed on behalf of the Issuer:

By:  TMF Management B.V.
Managing Director

Duly authorised 5/8/13

PART B – OTHER INFORMATION

1. LISTING

Listing and admission to Trading: Application is expected to be made by the Issuer (or on its behalf) for the Notes to be admitted to the Official List of the Irish Stock Exchange and trading on its Global Exchange Market on or about the Issue Date.

2. RATINGS

Ratings: The Notes will not be rated.

8. OPERATIONAL INFORMATION

ISIN Code: XS0956045289

Common Code: 095604528

Valor: 21968014

New Global Note: No

Any clearing system(s) other than Euroclear Bank S.A./N.V. and Clearstream Banking *société anonyme* and the relevant identification number(s): Not Applicable

Delivery: Delivery free of payment

Names and addresses of initial Paying Agent(s): As per the Conditions

Names and addresses of additional Paying Agent(s) (if any): As per the Conditions

Intended to be held in a manner which would allow Eurosystem eligibility: No

ANNEX 1

Any investment in the Notes made with the intention to offer, sell or otherwise transfer (together, “distribute” and each a “distribution”) such Notes to prospective investors will be deemed to include, without limitation, the following representations, undertakings and acknowledgements:

- a) (i) you are purchasing the instruments as principal (and not as agent or in any other capacity); (ii) none of the Issuer, the Dealer or their affiliates is acting as a fiduciary or an advisor to it in respect of the instruments; (iii) you are not relying upon any representations made by the Issuer, the Guarantor or any of their affiliates; (iv) you have consulted with your own legal, regulatory, tax, business, investments, financial, and accounting advisers to the extent that you have deemed necessary, and you have made your own investments, hedging and trading decisions based upon your own judgement and upon any advice from such advisers as you have deemed necessary and not upon any view expressed by the Issuer or any of its affiliates or agents and (v) you are purchasing the instruments with a full understanding of the terms, conditions and risks thereof and you are capable of and willing to assume those risks;
- b) you shall only distribute as principal or, alternatively, acting on a commission basis in your own name for the account of your investors and will not do so as agent for any Morgan Stanley entity (together “Morgan Stanley”) who shall assume no responsibility or liability whatsoever in relation to any such distribution. You shall distribute the product in your own name and to such customers as you identify in your own discretion, at your own risk and under your sole responsibility. You shall make such enquiries you deem relevant in order to satisfy yourself that prospective investors have the requisite capacity and authority to purchase the product and that the product is suitable for those investors;
- c) you shall not make any representation or offer any warranty to investors regarding the product, the Issuer or Morgan Stanley or make any use of the Issuer’s or Morgan Stanley’s name, brand or intellectual property which is not expressly authorised and you shall not represent you are acting as an agent of Morgan Stanley in such distribution. You acknowledge that neither the Issuer nor Morgan Stanley assume any responsibility or liability whatsoever in relation to any representation or warranty you make in breach hereof;
- d) if you distribute any material prepared and transmitted by the Issuer or by Morgan Stanley, you shall only distribute the entire material and not parts thereof. Any material you, or any third party you engage on your behalf, prepare shall be true and accurate in all material respects and consistent in all material respects with the content of the Base Prospectus and the Final Terms and shall not contain any omissions that would make them misleading. You shall only prepare and distribute such material in accordance with all applicable laws, regulations, codes, directives, orders and/or regulatory requirements, rules and guidance in force from time to time (“Regulations”). You acknowledge that neither the Issuer nor Morgan Stanley shall have any liability in respect of such material which shall, for the avoidance of doubt, at all times be your sole responsibility;
- e) you will not, directly or indirectly, distribute or arrange the distribution of the product or disseminate or publish (which for the avoidance of doubt will include the dissemination of any such materials or information via the internet) any materials or carry out any type of solicitation in connection with the product in any country or jurisdiction, except under circumstances that will result in compliance with all applicable Regulations and selling practices, and will not give rise to any liability for the Issuer or Morgan Stanley. For the avoidance of doubt, this includes compliance with the selling restrictions mentioned herein;
- f) if you receive any fee, rebate or discount, you shall not be in breach of any Regulation or customer or contractual requirements or obligations and you shall, where required to do so (whether by any applicable Regulation, contract, fiduciary obligation or otherwise), disclose such fees, rebates and discounts to your investors. You acknowledge that where fees are payable, or rebates or discounts applied, the Issuer and Morgan Stanley are obliged to disclose the amounts and/or basis of such fees, rebates or discounts at the request of any of your investors or where required by any applicable Regulations.

- g) you will be committed to purchase at the issue price stated in the term sheet for these Notes (or at the price otherwise agreed between us) instruments, when issued, in the agreed quantity and having terms, as provided in the definitive documentation, consistent with those in the term sheet (subject to any modifications agreed between us);
- h) we may enter into hedging or other arrangements in reliance upon your commitment, and, if you fail to comply with your commitment, your liability to us shall include liability for our costs and losses in unwinding such hedging or other arrangements;
- i) you agree and undertake to indemnify and hold harmless and keep indemnified and held harmless the Issuer, the Dealer and each of their respective affiliates and their respective directors, officers and controlling persons from and against any and all losses, actions, claims, damages and liabilities (including without limitation any fines or penalties and any legal or other expenses incurred in connection with defending or investigating any such action or claim) caused directly or indirectly by you or any of your affiliates or agents to comply with any of the provisions set out in (a) to (i) above, or acting otherwise than as required or contemplated herein.
- j) You are not purchasing the Notes as an extension of credit to Morgan Stanley pursuant to a loan agreement entered into in the ordinary course of your trade or business.